

*Ann's Recy
out 1710*

(I)

EXTRACT of divers Passages relating to Exclusive Joint-Stock Companies, taken from Monsieur De Witt's Treatise of the True Interest and Political Maxims of Holland and West-Friesland, published by the Authority of the States General, and translated into English in the Year 1702.

THE Falsity and Weakness of the African Company's Assertion, viz. (That all Nations agree that the Trade to Africa ought to be carried on by a Company Exclusive) cannot be better confuted than by the following Passages, wrote by one of the Greatest Men of the last Age, Monsieur John de Witt, Pensioner of Holland, whose long Observations of the Evils of Exclusive Companies in that Country, induced him, doubtless, to say so much of them in his Treatise of the Interest of Holland and West-Friesland, as follows.

Interest of Holland, pag. 33. he hath these Words: This Advantage which Holland hath for Commerce and Traffick would be yet more improved, if the West India Company in all Places of their District would also set that Trade open.

An open Trade to the West Indies would increase Traffick and Navigation.

But in pag. 31. he says: And this Improvement of Trade might be made much more considerable, if the Conquerors would not by virtue of their Grant or Patent hinder all the other Inhabitants of these Lands from trading to those Conquests, and to innumerable rich Countries, where the said Conquerors, for Reasons of State may not, or for other Reasons cannot, or perhaps will not trade. Yea tho' the said Free Trade of our Inhabitants (to the greater Benefit of the Participants) were in some measure limited and circumscribed to those Lands and Sea-ports lying in their District, to which they never yet traded, I should then expect to see much more fruit of that Trade and Monopoly together, than of their Monopoly alone: For if our East India Company could find some Expedient, either as to Freight of Goods, to permit all the Inhabitants of these Lands freely to lade their Goods on board the Company's own Ships, or to import and export all manner of Goods to the Places of their Conquests, and back to this Country, or in process of time by laying Imposts on the Consumption of the inhabiting Planters who would resort thither in great Numbers by reason of a Free Trade, or by any other imaginable Means tending to give it an open Trade; they would thereby reap much more Profit than the poor Participants now commonly, and with much Uncertainty, do enjoy: And then if afterwards the said Participants would be perswaded to deny themselves so much of their Privilege or authorized Monopoly, as to set open that Trade in some good measure to the Inhabitants of these United Provinces, it would unquestionably produce to our industrious and inquisitive Nation so many new and unheard of Consumptions of all our Manufactures, especially of Wool, and so great a Trade, Navigation, and Commerce with that vast Land of Africa, and the incredibly great and rich Asia, which lies so convenient for Trade, that many hundred Ships would yearly make Voyages thither, and bring their Returns hither, especially from and to Amsterdam; and by means of which alone we should certainly and very easily work all other Foreigners out of those Indian Seas.

And the Advantage Holland hath, would be incredibly augmented, if the Trade to the Indies were free for all the Inhabitants.

Again in pag. 70. Much less ought we to curb or restrain our Citizens and Natives, any more than Strangers, from their natural Liberty of seeking their Livelihoods in their native Country by select and authoriz'd Companies and Guilds: For when we consider, that all the Trade of our common Inhabitants is circumscribed or bounded well nigh within Europe, and that in very many Parts of the same, as France, England, Sweden, &c. our greatest Trade and Navigation thither is cramped by the high Duties, or by Patent Companies, like those of our Indian Societies; as also how small a part of the World Europe

How hurtful select Companies and Guilds are.

To all those
Means of Sub-
sistence where-
by to deprive
them, and les-
sen their
Number.

rope is, and how many Merchants dwell in *Holland*, and must dwell there to support it: We shall have no reason to wonder, if all the beneficial Traffick in these small adjacent Countries be either worn out, or in a short time be glutted with an Over-trade. But we may much rather wonder why the greatest part of the World should seem unfit for our common Inhabitants to trade in, and that they should continue to be debarred from it, to the end that some few Persons only may have the sole Benefit of it. It is certainly known that this Country cannot prosper but by means of those that are most industrious and ingenious, and that such Patents or Grants do not produce the ablest Merchants. But on the other hand, because the Grantees, whether by Burghership, select Companies, or Guilds, think they need not fear that others, who are much more ingenious and industrious than themselves, and are not of the Burghership, Companies, and Guilds, shall lessen their Profits; therefore the certain Gains they reap make them dull, slow, unactive, and less inquisitive. Whereas on the other side, we say that Necessity makes the old Wife trot, Hunger makes raw Beans sweet, and Poverty begets Ingenuity.

Enquiry made,
whether if all
Countries have
the Freedom of
an open Trade,
it would dimi-
nish our Traf-
fick in gene-
ral, or quite
destroy it.

And the Im-
possibility
thereof is
made mani-
fest.

As also that
trading Com-
panies by
Charter have
ever lessened
Trade and
Navigation,
and often-
times quite
ruin'd both.

Which appears
by vacating of
the *Greenland*
Company's
Charter.

That which is objected against this, is, That the *Hollanders* are a People of such a nature, that if the Trade were open into *Asia*, *Africa*, and *America*, they would overstock all those Countries with Goods, and so destroy that Trade, to the Prejudice of *Holland*; which is so far from Truth, and all appearance thereof, that it is hardly worth answering. For first, so great and mighty a Trade by the *Hollanders* in those vast and trafficking Countries, would be the greatest Blessing to them that could be wished for upon Earth; would to God any of us could ever see *Holland* so happy. And next it cannot be deny'd, that even in this small *Europe*, the over-stocking of Countries with Goods may indeed lessen the Gains of some particular Merchants; but yet after such a manner, that the said over-stocking with the said Goods really is, and can be no other than an Effect or Fruit of a present over-grown Trade of this Country, in proportion to the Smallness of those Countries with which we are permitted to traffick. And thirdly, it is evident, that the *Hollanders* by such over-stocking have never yet lost any Trade in any Country or Place of *Europe*, nor can they lose it, so long as that Trade remains open, because that Superfluity of Goods transported is soon spent, and that same Trade is by the same or some other of our Merchants immediately reassumed and taken up, so soon as by a following Scarcity in those Countries, there is any appearance of making more Profit by those or other Commodities.

But supposing it to be true, that the *Dutch Merchants*, by overstocking those trading Countries should run a risque of losing that Trade in some Parts; yet considering the Smallness of those Lands, it would then be doubly necessary to prevent the same by setting open the Trade to *Asia*, *Africa*, and *America*, for all the Merchants of *Holland*. But on the other side, it is certain that the licens'd monopolizing Companies, by the Unfaithfulness, Negligence, and Chargeableness of their Servants, and by their vast, and consequently unmanagable Designs, who are not willing to drive any Trade longer than it yields excessive Profit, must needs gain considerably in all their Trade, or otherwise relinquish and forsake all Countries that yield it not, which nevertheless would by our common Inhabitants be very plentifully carried on.

In this respect it is worthy Observation, That the authorized *Greenland Company* made heretofore little Profit by their Fishing, because of the great Charge of setting out their Ships, and that the Train-Oil, Blubber and Whale-fins were not well made, handled or cured, and being brought hither, and put into Warehouses, were not sold soon enough, nor to the Company's best Advantage. Whereas now that every one equips their Vessels at the cheapest Rate, follow their Fishing diligently, and manage all carefully, the Blubber, Train-Oil, and Whale-fins, are employed for so many Uses in several Countries, that they can sell them with that Conveniency, that tho' there are now Fifteen Ships for one which formerly sailed out of *Holland* on that account, and consequently each of them could not take so many Whales as heretofore; and notwithstanding the new Prohibition of *France* and other Countries to import those Commodities, and tho' there is greater Plenty of it imported by our Fishers; yet those Commodities are so much raised in the Value above what they were whilst there was a Company, that the common Inhabitants do exercise that Fishery with profit, to the much greater Benefit of our Country, than when it was under the Management of a Company carried on but by few. For how much soever these Members sell their Pains or Commodities dearer than if that Trade or Occupation was open or free, all the other better Inhabitants that gain their Subsistence immediately, or by consequence by a foreign Consumption, must bear that Loss. And indeed our
Fisher-

Fishermen, Dealers in Manufactures, Owners of Freight-Ships, and Traders, being so burthened with all manner of Imposts, to oppress them yet more in their Necessity by these Monopolies of Guilds, and yet to believe that it redounds to the Good of the Land, because it tends to the Benefit of such Companies, is to me incomprehensible. These Guilds are said indeed to be a useful sort of People; but next to those we call idle Drones, they are the most unprofitable Inhabitants of the Country, because they bring in no Profit from foreign Lands for the Welfare of the Inhabitants of *Holland*. *Aesop* hath well illustrated this Folly by a Cat, who first licked off the Oil from an oiled File, and continued licking, not observing that she had by little and little licked her Tongue through, which was given her to sustain her Life, and carry Nourishment into her Body, nor that she fed not on a File which did not consume, but on her own Blood before her Tongue was totally consumed.

We formerly managed the Whale-Fishing by a monopolizing Company exclusive of all others; and how mischievous that proved to *Holland* appears now, that that Fishing is open to all Men, whereby it is advanced from one to ten, yea to fifteen, as was before shewn more at large. But erecting an *East* and a *West India* Company was a quite different thing, for it appeared to be a necessary Evil, because our People would be Trading in and about such Countreys, where our Enemies were too strong for particular Adventurers: So that this seemed to have been necessary in all respects to lay the Foundation of that Trade by a powerful arm'd Society. And seeing this Country ingaged in War against the King of *Spain*, had need of using all its strength, it was very prudently done to erect those two Societies. But that Trade being now so well settled, we may justly make it a doubt whether the said Companies ought any longer to continue on the same Foot. Some wise Statesmen do with probable Reasons maintain, that the Politick Rule of * preserving a thing best by the same means whereby it was acquired, cannot agree with these Companies: For it is certain that the first moving Reason of those Grants to them, which was the War with the King of *Spain*, now ceaseth, and that in case of any new War against that People, they would no longer be formidable to us, but we to them: And, secondly, as it is well known that it was necessary at first to make some Conquests upon the *Spice Islands* of the said Enemy, because the more Lands they conquered, the more Right and Ability they would acquire to the Trade which might happen in those Parts: So it cannot be denied that when those good and necessary Conquests are made, the Grounds and Maxims of the Prosperity of the said Companies begin to justle and oppugn the general Good of this Country, which is manifestly known to consist in a continual Increase of our Manufactures, Traffick and Freight Ships: Whereas nevertheless the true Interest of such Companies consists in seeking the Benefit of all the Members, even with Forreign, as well as our own Manufactures, and (to the great prejudice of all other our Inhabitants) by Importing Manufactures and other Mechanick Works into this Country, and vending them throughout *Europe*; and in short by making the greatest Profit with the least Traffick and Navigation.

P. 83.

Sometimes a Monopoly Charter is useful to settle a Trade.

* Res facile iisdem Artibus retinentur quibus initio partæ sunt.

As appeared by the *East India* Company. But that Trade when settled if managed by a select Company runs counter to the general Good.

And it can be as little denied of such Companies, that the more Lands they conquer, the more of their Stock they must necessarily spend for the preservation and defence of such Lands; and the more Dominion they have, the less are they able to mind and augment their Traffick: Whereas on the contrary our particular Inhabitants by those manifold conquered strong Holds and Lands, would have so much the more Conveniency and Security to trade in the *Indies*. We have now, to say no more, quite lost our open Trade of *Guinea*, and that of Salt in the *West Indies*, which were heretofore so considerable, by the erecting of the *West India* Company; and the mischief which was done to the King of *Spain* in the *West Indies*, is reboiled back and fallen upon us; so that we cannot cry up that Company, who have bound the Hands of particular Men, and made War instead of Traffick, unless at least they would in the mean time suffer all our Inhabitants freely to trade in all their Conquests. On the contrary, that Company hath impoverished many of our Inhabitants. Whereas by an open Trade, and consequently well settled Colonies, we should not only with small Charge have easily defended those vast Lands of *Brazil*, *Guinea*, *Angola*, *St. Thomas*, &c. against all Forreign Power, but (which is more considerable) have been able to carry on a very great Trade with our own Nation, without fear that any Forreign Potentate should seize our Ships, Goods, or Debts, to which those *Hollanders* that trade only in *Europe* are continually exposed.

P. 85.

So that that Monopoly ought then to have been taken away. Else we wholly lose that Trade, for Land-Conquests carried on by Merchants are not at the long run tenable against all Enemies.

And

P. 186.

And tho' the States General ought to have protected our Inhabitants, they prohibited Trading within the Tropick to the South and North, or to fetch Salt from thence :

See the Placet Book, Walsenar's Hist.

P. 187.

And the select East India Company had their Charter prolonged.

To the great Detriment of all the Inhabitants of Holland so excluded.

And no less Prudence had been necessary to increase our Traffick, Freedom Navigation and Fisheries: Whereas on the other side they prohibited all our Inhabitants to trade in *America* and *Africa*, by erecting a *West India* Company, Anno 1621. under Colour of distressing the Enemy more in those Parts. And in the Year they likewise prohibited our Inhabitants to sail to the *Mediterranean*, or *Cabo del Rey* in the *West Indies* for Salt, unless in Consortship, promising them Ships of War to convoy and defend them back again.

Yea the States and the Prince of *Orange* thought it convenient to continue the mischievous Grant or Charter to the *East India* Company for twenty one Years come, so that the States General and the Admiralties discharged themselves of scouring the Seas, as far as concerned *Asia*, *Africa* and *America*, and the Traffick of those Parts, together with the Northern Whale Fishing, upon supposition that all those respective Companies were sufficient to drive on their Trade without Convoys from the State, and to take care of their own Affairs. But on the contrary they found, that the Trade of these Societies was carried on with so great prejudice to the rest of the People who were excluded, that if our Governors had then, or should now deal in the same manner with the Trade of *Europe*, by erecting Companies exclusive of others; for example, one Company for the Dealers in the *Mediterranean*, a second for the *French* and *Spanish* Merchants, a third for the Eastern and Northern Merchants, a fourth for the *British* and *Irish* Traders, a fifth for the Haddock, Cod and Herrings Fisheries, &c. I say, if they had done this, one tenth part of our Inhabitants would not have been able to live and earn their Bread,

relating to Exclusive Joint-Stock Companies, taken from Monsieur De Witt's Treatise of the True Interest and Political Maxims of Holland and West-Friesland.